

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MARYLAND

SAGENT TECHNOLOGY, INC
Plaintiff

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CIVIL ACTION JFM-02-2505

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vs.

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Baltimore, Maryland

MICROS SYSTEMS, INC.
Defendant

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January 22, 2003

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Deposition of PETER ROGERS, JR., a witness

of lawful age, taken on behalf of the Plaintiff in the
above-entitled cause, pending in the District Court of
the United States for the District of Maryland, before
Dawn L. Venker, a Notary Public in and for Baltimore
County, Maryland, at 7031 Columbia Gateway Drive,
Columbia, Maryland 21046, on the 22 day of January,
2003.

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APPEARANCES:

SCOTT H. PHILLIPS, Esquire
For the Plaintiff

MICHAEL H. TOW, Esquire
For the Defendant

Reported By: Dawn L. Venker

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1 desire, interest, and intent to help us find customers
 2 to tell them through.
 3 Q Who said those statements?
 4 A Gene Garrett, Dan VanVeelen also, as well
 5 as Mr. DeGennaro.
 6 Q Let me make sure I understand. All three
 7 of these individuals at some point during the June 6th,
 8 2000 meeting indicated to you that if MICROS could not
 9 resell or otherwise use the licenses that were
 10 contemplated in this transaction, that they could be
 11 returned to Sagent for a full refund and that Sagent
 12 would try to resell the licenses?
 13 A That's correct.
 14 Q When Mr. Garrett called you later that day,
 15 was that notion again expressed in that telephone call?
 16 A Yes. Because he offered a substantial
 17 discount to go to five, ten, or fifty, and I expressed
 18 my concern how could I consume all that given at the
 19 time I had only sold I believe two or three licenses.
 20 So five licenses seemed somewhat relevant, but they
 21 express interest, "Here's an offer for ten and fifty.

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1 Substantial discounts." I expressed, "How can I handle
 2 those if I don't have customers?" They said, "We'll
 3 work with you. We'll help you get rid of them."
 4 Really language in terms of take them.
 5 Because we had met back in May, and we had
 6 bright -- we had optimism that product would take hold.
 7 We were going to deploy it on the USi platform offered
 8 via the Web. It was a lot of speculation --
 9 speculation is not the right word -- industry buzz
 10 about a lot of software systems moving to the Web.
 11 So it was in that vein that we acquired --
 12 we needed a license to get our USi product going and
 13 really was just wondering how many customers. It was
 14 really difficult only having three how many were really
 15 going to sell, but I was struck by the extent of the
 16 numbers they were offering, plus the discounts.
 17 Q Among Mr. Garrett, Mr. VanVeelen, and
 18 DeGennaro, which of those three indicated to you the
 19 notion that Sagent would take the product back and
 20 fully credit your account if you couldn't use them?
 21 A Mr. Garrett.

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1 Q Did the other two say anything along those
 2 lines?
 3 A There was -- in the conversation in the
 4 morning, language was used. In the afternoon
 5 conversation, it was just between myself and
 6 Mr. Garrett. He said we'll take them if needed.
 7 Q I meant to refer to the morning meeting --
 8 I apologize -- when everyone was there.
 9 A Mr. Garrett expressed that with backup. It
 10 is difficult with three people talking the exact
 11 language, but Mr. Garrett was the key salesperson.
 12 Q And he is the one that made that specific
 13 comment to you?
 14 A That's correct, but at the same time during
 15 the conversation, he was supported by Dan --
 16 Mr. VanVeelen as well as Mr. DeGennaro.
 17 Q In what way did those two gentlemen support
 18 that comment?
 19 A Terms -- comment about the partnership, and
 20 that they want to work with us to sell through. And
 21 they looked at us as a key sales partner with the

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1 product.
 2 Q Did either of them express the specific
 3 comment that Sagent would accept for a full refund the
 4 product back if you couldn't use it?
 5 A They would say -- the language was that
 6 we'll help you sell through, and take back if needed.
 7 I can't remember specifically full refund.
 8 Q We'll talk in a little while about some
 9 notes. I don't know whether they are your notes yet,
 10 but there are some notes that have been produced. In
 11 that context, let me ask you this. Did you record in
 12 the handwritten notes that you took from either the
 13 morning meeting or the afternoon telephone call from
 14 Mr. Garrett this notion about return of the product and
 15 full refund?
 16 A No.
 17 Q Is there any reason you did not?
 18 A No. I would write numbers down generally.
 19 Specific numbers so I didn't misquote them. I take
 20 notes, but I don't exactly write down everything in a
 21 conversation.

<p style="text-align: right;">18</p> <p>1 Q When you say "specific numbers," do I 2 understand that to be the number of licenses and the 3 exact discount that Sagent was offering you, those 4 sorts of things? 5 A Yes. 6 Q Did you consider the representation that 7 Sagent had made regarding return of the product for a 8 full refund an important statement made by the company 9 at that time? 10 A Yes. 11 Q Let me hand you, Mr. Rogers, what we'll 12 mark as Exhibit Number 1. 13 (Rogers Deposition Exhibit Number 1 was 14 marked by the reporter.) 15 Q I'll ask you if you can identify that, sir? 16 A This is a memo that I generated to Dan 17 VanVeelen providing a purchase order for MICROS to 18 Sagent to acquire the data access package and 19 analytical calculator. 20 Q That is your signature at the bottom of the 21 first page there?</p>	<p style="text-align: right;">20</p> <p>1 the print on this is somewhat fuzzy because it has been 2 copied a number of times, but it looks like the date on 3 this price quote is June 20th, 2000. Do you see that 4 in upper right? 5 A 6-20. 6 Q Does that sound about right in terms of 7 when you received this price quote from Sagent? 8 A I don't remember, but quite conceivably. 9 Q Let me ask you to look down in the box 10 there. There is an item for technical support and 11 upgrades. Do you see that? 12 A Yes. 13 Q And to the right of that there's a printed 14 number that has been stricken through, and then it 15 looks like someone wrote 24,000 in place of that. Do 16 you see that? 17 A Yes. 18 Q Do you know who did that? 19 A No. 20 Q Do you know why that would have been done? 21 A I think the far right -- I believe that the</p>
<p style="text-align: right;">19</p> <p>1 A Yes. 2 MR. PHILLIPS: For the record, Exhibit 1 is 3 comprised of a two-page document bearing Sagent Bates 4 numbers 32 and 33. 5 Q What was your understanding as of June 6 30th, 2000 as to who Mr. VanVeelen was? 7 A Mr. VanVeelen was the regional manager who 8 was the direct sales contact and technical contact to 9 MICROS from Sagent. 10 Q Did you actually type this letter on your 11 computer? 12 A Yes. 13 Q And you read it before you signed it 14 obviously? 15 A Yes. 16 Q And on page 2 of this document, which is 17 S33, can you identify that for me? 18 A This is the quote provided from Sagent to 19 myself that I was to attach to the letter authorizing 20 the acquisition of the product. 21 Q Now, I think that the -- I'll admit that</p>	<p style="text-align: right;">21</p> <p>1 license fee number was different than the total. This 2 was a matter of matching up. 3 Q And is that your signature at the bottom of 4 this page? 5 A Yes. 6 Q How about the handwriting above and below 7 it which reads, "Approved June 30, 2000. VP business 8 development." 9 A That is my handwriting. 10 Q Now, does the purchase order that you 11 issued on June 30th, 2000 reflect the same product mix 12 and price that is seen in the quote received from 13 Sagent? 14 A Yes. As far as my knowledge. My cover 15 letter designated the software number and the technical 16 support number. 17 Q Is it your contention that MICROS has paid 18 to Sagent any portion of the \$136,000 reflected on both 19 the quote and your purchase order? 20 A I have no contention. I'm not aware of us 21 paying them.</p>

<p style="text-align: right;">22</p> <p>1 Q Pay them any money?</p> <p>2 A As related to transaction?</p> <p>3 Q Correct.</p> <p>4 A Answer to that. I don't believe we have</p> <p>5 paid them anything related to this transaction.</p> <p>6 Q Do you understand that subsequently there</p> <p>7 was an agreement between the parties that the \$24,000</p> <p>8 line item for technical support and upgrades was</p> <p>9 eliminated from the transaction?</p> <p>10 A I was not aware of that.</p> <p>11 Q Have you become aware of that at some</p> <p>12 point?</p> <p>13 A Yes.</p> <p>14 Q When was the first time you became aware of</p> <p>15 that.</p> <p>16 A This morning.</p> <p>17 Q And that was in the process of</p> <p>18 Mr. Callnin's deposition?</p> <p>19 A Yes.</p> <p>20 Q Did you at any time become aware that there</p> <p>21 was a subsequent agreement between the parties to</p>	<p style="text-align: right;">24</p> <p>1 A Yes.</p> <p>2 Q When did you first learn that?</p> <p>3 A This morning.</p> <p>4 Q And again that was in the context of</p> <p>5 Mr. Callnin's deposition?</p> <p>6 A Yes.</p> <p>7 Q Is it your understanding that at some point</p> <p>8 Sagent ultimately provided MICROS with an amended</p> <p>9 invoice for this particular transaction reflecting</p> <p>10 \$112,000 as the amount due and owing?</p> <p>11 A Yes.</p> <p>12 Q When did you first learn that?</p> <p>13 A This morning.</p> <p>14 Q Let me hand you what we are going to mark</p> <p>15 as Exhibit Number 2. This is the Sagent Bates number</p> <p>16 60.</p> <p>17 (Rogers Deposition Exhibit Number 2 was</p> <p>18 marked by the reporter.)</p> <p>19 Q This is an e-mail from Mr. Tow dated</p> <p>20 November 26th, 2001 which indicates that you were</p> <p>21 copied on it. Do you recall receiving that?</p>
<p style="text-align: right;">23</p> <p>1 reconfigure the product mix that is reflected in the</p> <p>2 quote received from Sagent?</p> <p>3 A You have to repeat that question. I didn't</p> <p>4 understand it properly.</p> <p>5 Q If you take a look at S33, which is the</p> <p>6 quote, in that box there is a certain product mix.</p> <p>7 Specifically it talks about one data access server,</p> <p>8 design studio with report and analysis, administration,</p> <p>9 and I don't know what else. The line below that reads,</p> <p>10 "Analytical calculator." Do you see all that?</p> <p>11 A Yes.</p> <p>12 Q Did you at some point become aware of an</p> <p>13 agreement between the parties that that product mix</p> <p>14 would be changed?</p> <p>15 A Yes.</p> <p>16 Q When did you first learn that?</p> <p>17 A This morning.</p> <p>18 Q Did you at some point become aware that</p> <p>19 there was an agreement among the parties that this</p> <p>20 amount of \$136,000 would be amended to reflect</p> <p>21 \$112,000?</p>	<p style="text-align: right;">25</p> <p>1 A Yes.</p> <p>2 Q Does it sound correct that you would have</p> <p>3 received it on or about that date?</p> <p>4 A Yes.</p> <p>5 Q And Mr. Tom Patz was general counsel for</p> <p>6 MICROS as of that date?</p> <p>7 A Yes.</p> <p>8 Q Do you have any idea why Mr. Tow copied</p> <p>9 Mr. Patz on this e-mail?</p> <p>10 A I would have to assume, since Mr. Tow</p> <p>11 reports directly to Mr. Patz, that he copies him as a</p> <p>12 matter of course.</p> <p>13 Q Have you seen previous instances in which</p> <p>14 the general counsel for the company has been copied on</p> <p>15 a billing matter with a vendor?</p> <p>16 A No.</p> <p>17 Q The second --</p> <p>18 A Could be, but I've not been involved in any</p> <p>19 billing problems where it would have been necessary to</p> <p>20 put them on that.</p> <p>21 Q Second paragraph of this e-mail beginning</p>

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1 received this e-mail sixteen, seventeen months later?

2 A I had a discussion earlier in the year with
3 Mr. Callnin about why weren't we selling this product.
4 Understand, my role is business development, was to
5 oversee, not formally buy product lines, and I would
6 analyze products lines quarterly. So I could see what
7 revenue -- is being sold by a product line. I was
8 alarmed that we had not sold anything, or very little,
9 through the data warehouse product line. And so we met
10 earlier in 2001 really assessing where I was with this
11 product and the lack of sales thereof.

12 Q When you saw that lack of sales, did you
13 follow up with anyone on your team here at MICROS?

14 A Spoke with a person, Ed Rothenburg, who was
15 in the restaurant product line, and head of major
16 accounts, Alan Heyman, to say, "We got this product.
17 It doesn't seem to be selling," i.e., the product --
18 our data warehouse product. And really try to push
19 them where are we going with this product, but nothing
20 came of that. Just understand this is a small product
21 after a lot of different products that I look at.

31

1 Q At any point, did you say to anyone here at
2 MICROS or Sagent, "Look, pursuant to our earlier
3 agreement and understanding, we are giving this back to
4 you, and we expect a full refund because we just can't
5 move it"?

6 A I did not do that. I had really -- I had
7 no contact that I remember from Sagent past my
8 conversation with Mr. VanVeelen in the end of June
9 2000. I told Scott it was his responsibility in terms
10 of the product. I had many other things to do. Really
11 move the product along or do what has to be done in
12 terms of evaluating this product. He was responsible
13 with the sales force.

14 Q Apart from any conversation you may have
15 had with Sagent personnel, did you ever talk to anyone
16 at MICROS, including Mr. Callnin, expressing the idea
17 that, "Look, we need to -- it's time to send this
18 product back to Sagent and request a full refund
19 because my quarterly numbers show we are not moving
20 it"?

21 A At this time frame in November 2001 when I

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1 was engaged in discussion as to whether to send it back
2 if we haven't had a customer, we have no purpose of
3 holding it. Let's send it back. It was unopened. We
4 didn't use it. No purpose for it.

5 Q But in the context and in that
6 conversation, did you also add on to that to make sure
7 we get at full refund?

8 A Yes. Returning the product would be full
9 refund.

10 Q This was to who? Mr. Callnin?

11 A Mr. Tow.

12 Q Mr. Tow. And again this was in the
13 November 2001 time frame?

14 A Yes.

15 Q Are you aware if anyone at MICROS ever
16 expressed in writing, by handwritten note, e-mail, or
17 correspondence, the notion that this product should be
18 returned to Sagent because, again, we are not moving
19 it, and we are entitled to a full refund?

20 A No.

21 Q Mr. Rogers, I did not make a copy of this,

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1 and I'm happy to do that and mark it if you want. I
2 don't think it would be necessary. These are I believe
3 the answer to interrogatories that MICROS has provided
4 in this case, and feel free to look through them. Do
5 they look familiar to you?

6 A Yes.

7 Q Let me ask you. This is the last page and
8 feel free to look through this. Is that your signature
9 on those answers to interrogatories?

10 A Yes.

11 MR. PHILLIPS: Do you have any objection to
12 not marking those?

13 MR. TOW: No. That is fine. Not the basis
14 of the questions asked.

15 Q Did you review these answers to
16 interrogatories in order to ensure their accuracy and
17 completeness?

18 A Yes.

19 Q I understand -- and it's certainly not an
20 issue, but I just want to make sure I understand
21 what -- that initially these were signed on your behalf

Peter Rogers, Jr. - 1/22/03

<p style="text-align: right;">42</p> <p>1 I believe that is escalating.</p> <p>2 Q That's a component of damages that you are</p> <p>3 alleging in this case?</p> <p>4 A I'm not sure how to answer that.</p> <p>5 Q Have you been asked to provide any</p> <p>6 information with regard to the damages that are alleged</p> <p>7 and are prayed for in the counter-claim?</p> <p>8 A No.</p> <p>9 Q I think that's all I have for you on that</p> <p>10 one. Thank you.</p> <p>11 MR. TOW: Should we mark that now and copy</p> <p>12 it later?</p> <p>13 MR. PHILLIPS: Well, at the end of the</p> <p>14 deposition as Exhibit Number 3 the answers to</p> <p>15 interrogatories which Mr. Rogers has been asked about</p> <p>16 and has spoken to this morning -- this afternoon.</p> <p>17 (Rogers Deposition Exhibit Number 3 was</p> <p>18 marked by the reporter.)</p> <p>19 Q You heard Mr. Callnin speak this morning</p> <p>20 about the 12000 Baltimore Avenue address in Beltsville,</p> <p>21 correct?</p>	<p style="text-align: right;">44</p> <p>1 A I'm not contending that at all.</p> <p>2 Q That would have included the analytical</p> <p>3 calculator? Are you contending that Sagent never</p> <p>4 shipped that?</p> <p>5 A I'm not contending that they didn't. I</p> <p>6 just know that I placed an order for software.</p> <p>7 Q Did you receive confirmation from anyone at</p> <p>8 MICROS that the totality of that order had, in fact,</p> <p>9 been received from Sagent at some point?</p> <p>10 A I received indication that a package was</p> <p>11 delivered. Specific contents -- I actually physically</p> <p>12 received the package from the people in Beltsville. So</p> <p>13 I physically received a box, and I, in turn, then</p> <p>14 turned it over to Mr. Callnin. I did not open it. I</p> <p>15 do not know the date of receipt.</p> <p>16 Q You heard Mr. Callnin talk this morning</p> <p>17 about what he in turn did with that box, namely put it</p> <p>18 on the shelf, right?</p> <p>19 A Yes.</p> <p>20 Q Is that -- is your understanding consistent</p> <p>21 with that testimony?</p>
<p style="text-align: right;">43</p> <p>1 A Yes.</p> <p>2 Q And he also testified I believe that at</p> <p>3 least as of the fall 2000 time frame the receiving</p> <p>4 department was at that address?</p> <p>5 A Yes.</p> <p>6 Q Do you know who worked in the receiving</p> <p>7 department in Beltsville as of that time?</p> <p>8 A Specifically, no. I may know of some</p> <p>9 people that were in shipping or receiving. Sort of a</p> <p>10 general term.</p> <p>11 Q Do you know who received the Sagent</p> <p>12 software that was received at that address in the fall</p> <p>13 2000 time frame?</p> <p>14 A No.</p> <p>15 Q Do you know -- would you agree with Mr.</p> <p>16 Callnin that the Sagent software was, in fact, received</p> <p>17 at the Beltsville location in fall 2000 time frame?</p> <p>18 A I'll say it was received at the Beltsville</p> <p>19 location. I don't know the exact date.</p> <p>20 Q You don't -- you are not contending that</p> <p>21 the Sagent was never shipped to MICROS by Sagent?</p>	<p style="text-align: right;">45</p> <p>1 A I have no reason to dispute that.</p> <p>2 Q Do you know if MICROS made any copies of</p> <p>3 software at any time?</p> <p>4 A I do not know. We have a corporate policy</p> <p>5 against copying software illegally.</p> <p>6 Q Is it your understanding that at some point</p> <p>7 the software was returned to Sagent?</p> <p>8 A Yes.</p> <p>9 Q Do you know when?</p> <p>10 A Approximately December 2001.</p> <p>11 Q Do you have an understanding as to whether</p> <p>12 the return of the software to Sagent occurred in one</p> <p>13 mailing or two mailings or more?</p> <p>14 A I don't know.</p> <p>15 Q You heard Mr. Callnin talk this morning</p> <p>16 about how the software was treated for tax purposes</p> <p>17 while it was physically here at MICROS. Do you recall</p> <p>18 that testimony?</p> <p>19 A I do not.</p> <p>20 Q You don't recall that testimony?</p> <p>21 A No, I do not.</p>

<p style="text-align: right;">46</p> <p>1 Q You may have been out of the room. Do you 2 have an understanding as to how MICROS treated the 3 software for tax purposes while it was here? 4 A I don't know specifically. 5 Q Do you know generally? 6 A Treated as an asset because it was no sale 7 for that at that point in time. That's how I would 8 treat, it knowing, accounting. I bought an asset, 9 because there no sale behind it at that point. This 10 was done in advance of expected hope for future sales. 11 Q And you have your MBA, correct? 12 A Yes, sir. 13 Q Would the treatment of the software as an 14 asset by MICROS be reflected in the corporate tax 15 returns of the company? 16 A It would be reflected if treated as a asset 17 in the asset side. 18 Q Would I be able to find a line item 19 somewhere -- I assume that the asset side ultimately 20 comes down to one number, correct? 21 MR. TOW: Objection as to form.</p>	<p style="text-align: right;">48</p> <p>1 discussion, or I would object to something, would no 2 accept it. 3 Q How would you express that disagreement or 4 objection back do that vendor? 5 A Either verbally or in writing. Nowadays 6 generally by e-mail, but generally could be in writing 7 or e-mail. 8 Q Is it your typical practice to reflect 9 somewhere in writing, whether it is an e-mail or a 10 letter, the terms of a collateral agreement that MICROS 11 had reached with that particular vendor regarding a 12 particular transaction? 13 A Not always. Very specific on the numbers 14 to what we have to pay. Focus on the numbers and/or 15 payment terms. 16 Q Earlier you indicated that the 17 representations that were made at the June 6th meeting 18 and in the June 6th telephone call by Sagent were 19 important to you in this transaction, correct? 20 A Yes. 21 Q Something that is elevated to that level,</p>
<p style="text-align: right;">47</p> <p>1 Q I assume that the asset side of the ledger 2 sheet would ultimately be reflected in one number. 3 Would that be correct? 4 A Yes. 5 Q And that number in turn would be derived 6 from a series of line items above it, correct? 7 A Correct. 8 Q Would I be able to identify as a line item 9 on the asset side of the ledger sheet this particular 10 software from Sagent? 11 A Theoretically assuming if recorded 12 properly, yes. 13 Q Have you at any time while you have been 14 employed by MICROS negotiated with vendors regarding 15 the terms of any price quote that they have provided to 16 you? 17 A Yes. 18 Q Have you on any of those occasions had 19 disagreements with any of the terms reflected in that 20 written price quote? 21 A I'm not sure disagreement. I would have</p>	<p style="text-align: right;">49</p> <p>1 would you typically confirm that in writing? 2 A For something of magnitude of buying fifty 3 licenses, yes. 4 Q I don't necessarily mean the fifty 5 licenses. I mean would you confirm back to Sagent in 6 writing the notion that they had said, "Look, we'll 7 take this stuff back if you can't move it, and we'll 8 give you a full refund"? 9 A I may in the past. I don't remember 10 specifically. 11 Q But you certainly didn't do it in this 12 specific instance? 13 A No. 14 Q Are you aware -- I'm going to ask the flip 15 side of that question. Are you aware of any 16 documentation from Sagent to MICROS which set forth 17 their agreement to accept for a full refund the 18 software if you couldn't move it? 19 A No. 20 Q Are you aware of any documents to or from 21 either MICROS or Sagent which reflects the notion that</p>

Peter Rogers, Jr. - 1/22/03

<p style="text-align: right;">50</p> <p>1 the contemplated transaction in Exhibit Number 1 was 2 conditional upon anything at all? 3 A It was implied because we had a partnership 4 arrangement with Sagent, and then we purchased -- 5 however we define it -- acquired a package with 6 expectations that we had prospects coming up in the 7 fall. And we purchased that or acquired it because it 8 was a requirement to get the product on the Sagent -- 9 USi data warehouse. So we had to get a demo package 10 going in order to sell it to customers. 11 So I purchased, acquired one package to get 12 the minimum required for the project to succeed. To 13 get up and have a demo package. After that, my 14 involvement really ended. I was just involved for a 15 two-month period looking at the business relation. 16 Actual execution I had no role in. 17 Q And that two-month period was early on in 18 the May to June 2000 time frame? 19 A Correct. 20 Q Mr. Rogers, let me hand you what will be 21 marked as Exhibit Number 4.</p>	<p style="text-align: right;">52</p> <p>1 Q 2000? 2 A Correct. With Gene Garrett and Dan 3 VanVeelen. 4 Q It was just the three of you in this 5 meeting? 6 A Scott Callnin was in the meeting also. 7 Q Is there any reason his name would not be 8 reflected as an attendee. 9 A No. Just he's a MICROS person. I put down 10 people generally outside. NonMICROS. 11 Q And where did that meeting occur? 12 A Here in the Columbia office building. 13 Q And one of the issues addressed during that 14 meeting was the transaction contemplated in Exhibit 15 Number 1, the 63000 purchase order? 16 A No. This meeting related to the current 17 agreement that we had with Sagent that was a 18 partnership. When I got involved in the project in 19 April and learned more about the economics, I was 20 somewhat alarmed that we would sell the product and we 21 had to share it 50-50 with Sagent. At the same time,</p>
<p style="text-align: right;">51</p> <p>1 (Rogers Deposition Exhibit Number 4 was 2 marked by the reporter.) 3 Q Have you at any time prior to today seen 4 that document? 5 A No. 6 Q Let me hand you Exhibit Number 5. 7 (Rogers Deposition Exhibit Number 5 was 8 marked by the reporter.) 9 MR. PHILLIPS: For the record, this bears 10 documents MICROS Bates number 161 through 163. 11 Q Do you recognize any of the handwriting 12 here? 13 A Yes. 14 Q Do you recognize all of the handwriting? 15 A Yes. 16 Q Whose handwriting is it? 17 A Mine. 18 Q And can you tell me what this reflects? 19 A The first page 000161 reflects my notes 20 from a meeting I believe dated 5-10-00. I didn't put 21 '00 in, but May 10th.</p>	<p style="text-align: right;">53</p> <p>1 we had to buy software from Sagent and sell it, and, 2 you know, fifty percent of the profit and the sales 3 would be going back to Sagent. So we can make very 4 little on the intellectual property. Do all the sales 5 effort, and any type of consulting, then again we had 6 to pay Sagent. We'd split 50-50. I thought that this 7 product under current relationship was uneconomical for 8 MICROS. 9 Q You were referring to the joint 10 intellectual property agreement? 11 A If that's how it is recorded. I would say 12 the business relationship. When we enter into a deal 13 with an end user, that fifty percent of the proceeds 14 would go to Sagent. 15 Q Did the June 30, 2000 purchase order come 16 up in this May 10, 2000 meeting at all? 17 A No. 18 Q I can read -- if I could, ask you to flip 19 back. I can read a lot of this, but some of it I 20 can't. Particularly the -- 21 A My handwriting isn't very good.</p>

54

1 Q -- the fifth line down. The one below
2 "Insight agreement." The line below that. Something
3 "platform"?
4 A We had discussed -- I had discussed with
5 Dan VanVeelen I believe in April -- I was put in touch
6 with him via Scott, and I was asked to really intercede
7 in that program back in April by Mr. Rovani because the
8 first product we were going to bring up was the Insight
9 product on the USi. John had no knowledge about that.
10 So I worked with Scott's group and Tony
11 Seville. What's this business look like? And then I
12 found out about the economics of the deal, and as a
13 corporate officer somewhat alarmed. This is a large
14 company. Certain projects get sort of lost at times.
15 So I was involved really looking at that.
16 How do we improve the economics? Are we going to sell
17 it? How do we get this coming up? And I was concerned
18 literally about the economics.
19 So I believe that I spoke with Dan in April
20 and asked him how else can we restructure this, and so
21 this meeting I believe was prompted by Dan to really

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1 talk about moving us off of a shared 50-50 to an OEM
2 agreement, i.e., my comment down below, "Formulate an
3 OEM," which means original equipment manufacturer
4 agreement. That we would buy the product and then
5 resell it.
6 Q Can you read for me the last two
7 paragraphs?
8 A "Goal to enter an OEM agreement.
9 Multi-year. Three-year. Formulate an OEM."
10 Q And the paragraph below?
11 A "Maintenance fee per customer. Ease to
12 administer for an annual fee. Adjustable annually.
13 For install base."
14 Q Again, this had nothing specifically to do
15 with the two data load or the analytical calculator
16 that are contemplated in the June 30 purchase order?
17 A That's correct.
18 Q Let's turn to the next two pages. I assume
19 these next two reflect your notes from June 6th, 2000
20 meeting?
21 A Yes.

56

1 Q We have spoken at some length already about
2 that meeting, correct?
3 A Yes.
4 Q And, of course, this meeting did have to do
5 with the software package that we are talking about in
6 this case, right?
7 A Yes.
8 Q The third block down there below
9 "discussion," can you read that one for me?
10 A "Prepurchase of software-possibility. Give
11 us a price for five and ten licenses."
12 Q And how about the next line below that?
13 A I would have had a phone call with a person
14 called Ms. Sherry Maye. So I would have logged that
15 call in after that meeting. So the line going down
16 below, "Scheduled me. Cofounder." The comments,
17 "Start up Internet company. Broadvision." Had nothing
18 to do with Sagent. Just my notes on the page.
19 Q Did the Sherry Maye call have anything to
20 do with Sagent?
21 A No.

57

1 Q And then the Gene Garrett reference with a
2 telephone number, correct?
3 A Correct.
4 Q And below that, "Five packages. Ten
5 packages. Fifty packages" and the corresponding dollar
6 amount next to each, correct?
7 A Yes.
8 Q And the first line of page 163?
9 A I wrote down comments. "Payment terms."
10 Told me when we could pay. "One-third. One-third.
11 One-third." I can only -- forget what the one-third,
12 one-third, one-third meant. And "per package fifty
13 percent. \$100,000." I forget what that referred to.
14 Q The next gentleman with a telephone number
15 and "security consultant." Does that have anything to
16 do with this case?
17 A No.
18 Q And below that June 7 I believe?
19 A Correct.
20 Q What is that?
21 A That looks as though that is comments. We

15 (Pages 54 to 57)

Peter Rogers, Jr. - 1/22/03

<p style="text-align: right;">58</p> <p>1 would sit down and discuss the upcoming preparation of 2 the MICROS 10K. No relationship to Sagent. 3 Q And that takes us down to -- is it POA2? 4 A Part two. 5 Q Does that have anything to do with the 6 Sagent transaction? 7 A No. 8 Q And then we are down to January 8th? 9 A Uh-huh. 10 Q And "Mike Weintraub." Does that block of 11 handwriting through the bottom of the page have 12 anything to do with this case? 13 A No. 14 Q We've talked about the fact that page 161 15 reflects your notes on a May 10th, 2000 meeting, 16 correct? 17 A Yes. 18 Q That had nothing to do with this particular 19 case, right? 20 A In terms of the specific product purchased, 21 no, but I would say that they are somewhat connected</p>	<p style="text-align: right;">60</p> <p>1 time frame when we started working this product 2 somewhat MICROS selected Sagent software. In turn we 3 were dealing with a company called Talus. Talus was 4 bought by Sagent. So deal with Talus. We dealt with 5 Sagent. Historical relationship. 6 Q Did the direct licensing of the software 7 with Sagent have anything to do with affirmative 8 representations made by Sagent personnel? 9 A Historically? 10 Q Well, specifically. There was a decision 11 the company made to license this product directly with 12 Sagent, correct? 13 A Yes. 14 Q And what I'm trying to get at is what the 15 basis is for that decision made by MICROS was? 16 A I was not part of that. So I couldn't 17 relate to it. 18 Q Do you have an understanding of the amount 19 of money that MICROS has attributed to marketing costs 20 for the Insight product? 21 A No.</p>
<p style="text-align: right;">59</p> <p>1 just because they were Sagent. 2 Q Let me ask you this. That is fair enough. 3 During the May 10th, 2000 meeting, did any Sagent 4 representative express at that time the notion that the 5 product contemplated in the purchase order could be 6 returned for full credit if you all couldn't use it? 7 A No. 8 Q One of the allegations in the counter-claim 9 is that MICROS selected to license this software 10 directly with Sagent based in substantial part on the 11 representations made by Sagent personnel, and my 12 question to you is about that phrase "in substantial 13 part." That leads me to believe that there were other 14 factors that led to that decision by MICROS. Are you 15 aware of yours? 16 A I don't understand the definition "in 17 substantial part." 18 Q Do you have an understanding as to why 19 MICROS ultimately elected to license this software 20 directly with Sagent? 21 A Because we had back in I believe the 1998</p>	<p style="text-align: right;">61</p> <p>1 Q Is there some person or group within MICROS 2 that would track those dollars? 3 A Specifically for a project directly, no. 4 Q You seem to be indicating that there might 5 be a more general reflection of those numbers 6 somewhere? 7 A I think specifically if someone was asked 8 to come up with numbers, would have to go back and look 9 at invoices. It would be a specific data research and 10 analysis of direct dollars and of evaluation of time. 11 Q Let me hand you what I'll mark as Exhibit 12 Number 6. 13 (Rogers Deposition Exhibit Number 6 was 14 marked by the reporter.) 15 Q You are free to review the whole thing. I 16 have very limited questions. It is on the first page. 17 A I would just like to look at the whole 18 document. 19 Q Absolutely. 20 A I'm ready to answer. 21 Q You'll see some handwriting on the top</p>

16 (Pages 58 to 61)